

RECEIVED

APR 27 2007

DEPARTMENT OF HEALTH
Center for Health Statistics



SWEDISH MEDICAL CENTER

Financial Assistance (Charity Care)

SMC Corporate Procedure

Campus: Corporate

Approved: April 2007

Department: Patient Registration & Patient Financial Services

Next Review: April 2009

Purpose

Swedish Medical Center is committed to the provision of healthcare services to all persons in need of medical attention regardless of their ability to pay. To fulfill this commitment and protect the integrity of operations, employees will utilize the following criteria in making consistent decisions regarding eligibility for charity care, financial assistance or uncompensated care for hospital based services. The terms "charity care", "financial assistance" and "uncompensated care" are used interchangeably for purposes of describing Swedish's policy according to WAC guidelines for charity care.

Employees are responsible for processing applications in a respectful and courteous manner. Processing should in no way discourage patients from receiving healthcare, or result in the delayed provision of essential healthcare services. Charity care/Financial assistance is available to any eligible patient without regard to race, color, sex, religion, age or national origin. All interactions with patients must respect the inherent worth of all persons and their individual dignity. To this end, Swedish also chooses to utilize the term "financial assistance" when working with patients in our community.

Policy

Insured Patients—Charity care

Uninsured Patients—Charity care

Population Covered

Hospital In-Patients

Hospital Out-Patients

Responsible Persons

1. Patient Registration Representatives
2. Financial Counselor
3. Patient Financial Services
4. Financial Patient Relations

Definitions

Charity care-- Discounted services provided to qualified patients. **Financial assistance** and uncompensated care are terms also used to describe charity care.

Uninsured--A patient who does not have any form of health care coverage. Uninsured will also apply to a patient who has no insurance benefit for a service or who has exceeded benefit limitations.

Emergent--Any patient requesting emergency care is entitled to a medical screening examination and stabilization of any life threatening condition regardless of their ability to pay. Provision of such care will not be delayed due to the collection of insurance or payment information.

Elective--Services that are typically scheduled prior to the date of service. The patient is not in a life-threatening situation.

Hospital Based--Services that are provided under hospital licenses and billed on UB92s. Examples are emergency room charges, inpatient stays, outpatient services such as physical therapy or x-rays.

Forms

- ◆ Confidential Financial Statement—Request for Financial Assistance
- ◆ Financial assistance (Charity care) Brochure
- ◆ Eligibility Scales

Supplemental Information

The criteria for the provision of charity care contained in this policy are consistent with, and meet or exceed the requirements of WAC 246-453.

Content

Steps

1. Public Notices

- A. Our Financial Assistance (Charity Care) policy is made available via wall posters that are located in registration areas and emergency departments.
- B. Letter size posters are also available in departments and Health Resource Centers.
- C. Brochures are available for dissemination or upon request and are available in several languages including but not limited to English, Spanish and Chinese.
- D. Brochures, applications and the sliding scale are available to any person requesting the information whether in person, by mail or by telephone.

2. Timing of Application

- A. Patients may apply for charity care prior to service, at the time of service or at any point in the billing process up to the resolution of the account.

3. Eligibility Criteria

- A. Swedish Medical Center employs two scales for charity care.
 - 01 ***Insured Patients—Charity Care***
 - This scale covers patients at 100% charity if their income is 200% of the federal poverty guideline. The sliding scale discounts from a high of 85% to a low of 10%. Income for the sliding scale goes up to 350% of poverty.
 - 02 ***Uninsured Patients—Charity Care***
 - This scale also covers patients at 100% of charity if their income is 200% of the federal poverty guideline. The sliding scale discounts from a high of 90% to a low of 60%. Income for the sliding scale goes up to 400% of poverty.
- B. ***Catastrophic*** eligibility is available in either scale.
 - 01 Catastrophic cases have income exceeding the maximum income for either scale but represent a severe financial hardship.
 - To assure consistency in application of catastrophic eligibility, patients will be eligible for catastrophic charity care when the Swedish bill exceeds 10% of the annual household income over a one-year period.
- C. Eligibility is based off of pre-tax income. Income includes the following forms:
 - 01 Wages
 - 02 Salaries
 - 03 Welfare payments
 - 04 Social Security payments
 - 05 Strike benefits
 - 06 Unemployment or disability benefits
 - 07 Child support
 - 08 Alimony
 - 09 Net earnings from business activity
 - 10 Net earnings from investments
- D. Charity care is generally secondary to all other financial resources including:
 - 01 Group or individual medical plans
 - 02 Workers Compensation
 - 03 Medicare
 - 04 Medicaid
 - 05 Other state, federal or military programs
 - 06 Third party liability
 - 07 Any other situation where another person or entity may have legal responsibility to pay for the costs of the medical services.

4. Eligibility Period

- A. Once a patient is determined to be eligible for charity care they will remain eligible for a period of 6 months from the date of approval.
- B. The charity care approval will be applied to existing accounts.

5. Identification of Charity Care Candidates

- A. Every effort will be made to identify patients who would benefit from charity care at the earliest point possible. Care for a patient's well being is as important as care for their medical needs. It is our goal to diminish a patient's worry over health care bills.
- B. Employees must be alert to indications that the patient or family has concerns about their ability to pay health care bills even if the patient does not specifically ask about charity care or financial assistance.
- C. Possible candidates for charity care include but are not limited to:
 - 01 Patients who have had eligibility for Medicaid programs such as GAU, MI or Family Planning Only.
 - 02 Patients who are homeless.
 - 03 Patients who have no health care insurance.
 - 04 Patients who have health insurance but limited benefits, large deductibles or out of pocket expenses.
 - 05 Patients covered by Medicare without secondary insurance.
 - 06 Patients facing catastrophic care.
- D. Charity care referrals are accepted from:
 - 01 Patients
 - 02 Family members
 - 03 Friends representing the patient
 - 04 Physicians
 - 05 Community or religious groups
 - 06 Social Workers, Discharge Planners or Case Managers
 - 07 Telephone referrals
 - 08 Mail requests
 - 09 On site, in person requests
- E. Services covered include but are not limited to:
 - 01 Emergency room care
 - 02 Services when life is endangered
 - 03 Services to alleviate pain or suffering
 - 04 Services
- F. Services excluded from coverage include:
 - 01 Physician services including but not limited to those of surgeons, anesthesiologists, radiologists and emergency room physicians.
 - 02 Services related to the diagnosis and treatment leading to or in conjunction with bone marrow transplant for either the donor or recipient.
 - 03 All services related to in-vitro fertilization, sperm or egg harvesting, abortion or sterilization.
 - 04 Outpatient pharmacy services including prescription drugs that may be dispensed at the time of inpatient discharge (see corporate policy "Charitable Discharge Medications").
 - 05 Any procedure for cosmetic purposes

6. General Application Process

- A. Once a patient is identified as a charity care candidate a further interview will occur.
- B. Interpreters will be offered and arranged as appropriate.

- C. Registrars or Financial Counselors may assist patients in completion of applications.
- D. Determination is made for one of the following categories:
 - 01 The patient has health insurance.
 - 02 The patient has no health insurance and is uninsured.
- E. A complete application including patient signature is required in all cases where indigent status is not obvious.
- F. **Initial determination** can be made, pending verification of supporting documents, at the time of interview or completion of application. *Initial determinations* can be made at the facility.
- G. Initial approval is based upon income, family size and use of the Insured scale for patients with health insurance or use of the Uninsured scale for patients without health insurance.
- H. Patients should be provided an *initial determination* in writing. Initial determination must be made within 14 calendar days from application or at such time as the person's medical condition warrants. Additional documents needed should be noted.
- I. If the patient is determined to be eligible in the initial determination, their insurance plan should be updated to "charity pending" and an account note must be placed.
- J. Completed paperwork is forwarded to Customer Service at Health Services Northwest.
- K. **Final determination** includes verification of income. Customer Service staff at Health Services Northwest complete final approvals.
- L. **Swedish Medical Center staff, specifically financial counseling or registration staff**, may also complete **final determinations** and approvals. These primarily occur pre-service or at point of service.
- M. Normal verification, eligibility and financial counseling processes should be followed prior to any charity care determination.
- N. Applicable "insurance code" should be recorded on the specific visit(s) listed in the hospital information system to denote "full" or "partial" charity. Additional documentation can be noted in the hospital information system to alert Health Services Northwest if needed.
- O. A final approval letter will be sent to the patient from Health Services Northwest or Swedish Medical Center if appropriate. Final determinations must be completed no later than 14 days after receiving information required.
- P. A minimum of one document must be submitted to verify income. Any one of the following shall be considered sufficient evidence of income.
 - 01 A W-2 federal income tax withholding statement.
 - 02 Pay stubs from all employment during the application time period.
 - 03 An income tax return for the most recent year.
 - 04 Forms approving or denying eligibility for Medicaid.
 - 05 Forms approving or denying unemployment compensation.
 - 06 Written statements from employers or DSHS employees.
- Q. In the event that the patient's status as indigent and/or homeless is obvious to staff it is acceptable to approve patients without a form of the above listed documentation.
 - 01 It is also acceptable to rely on written and signed statements from patients or responsible parties justifying status as an indigent and/or homeless person.
- R. If a patient is denied eligibility for charity care they do have 30 days to appeal the determination. No collection proceedings can occur for at least 14 days post denial. Collection processes are halted when an appeal is received.
- S. Deposits will not be requested or collected from any patient who has applied for charity care for qualifying charity care services.

7. Catastrophic Determination

- A. If a patient is seeking assistance with medical bills but does not meet income qualifications for charity care under the guidelines of the scale, they can request a review for a discount based upon catastrophic consideration.
 - B. If a patient's Swedish bill exceeds 10% of their annual income over a one-year period, they will be eligible for catastrophic charity care.
 - C. Catastrophic approvals require department Director approval.
-

Expert Consultants

Director, Patient Registration and Patient Financial Services
Manager, Patient Registration
Supervisor, Patient Registration
Manager, Patient Financial Services

Author(s)

Director, Patient Registration and Patient Financial Services

Regulatory Requirement

WAC 246-453

References

None

Manual(s)

Department Manuals, Patient Registration and Patient Financial Services

Additional Computer Search Words/Terms

Financial Assistance
Uncompensated Care
Uninsured
Disadvantaged